

**COCHISE COUNTY COMMUNITY  
COLLEGE DISTRICT  
SINGLE AUDIT REPORTING PACKAGE  
FOR THE YEAR ENDED JUNE 30, 2005**

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**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT  
SINGLE AUDIT REPORTING PACKAGE  
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Issued Separately

**Single Audit Section**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Auditor General of the State of Arizona

The Governing Board of  
Cochise County Community College District

We have audited the financial statements of the business-type activities and the discretely presented component unit of Cochise County Community College District as of and for the year ended June 30, 2005, which collectively comprise Cochise County Community College District's basic financial statements, and have issued our report thereon dated October 26, 2005. Our report was modified as to consistency because of the implementation of Governmental Auditing Standards Board Statement No. 40. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Cochise County Community College District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cochise County Community College District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Cochise County Community College District in a separate letter dated October 26, 2005.

This report is intended solely for the information and use of the Arizona State Legislature, the Auditor General of the State of Arizona, the Governing Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

October 26, 2005



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

The Auditor General of the State of Arizona

The Governing Board of  
Cochise County Community College District

Compliance

We have audited the compliance of Cochise County Community College District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2005. Cochise County Community College District's major federal programs are identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Cochise County Community College District's management. Our responsibility is to express an opinion on Cochise County Community College District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cochise County Community College District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Cochise County Community College District's compliance with those requirements.

In our opinion, Cochise County Community College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

### Internal Control Over Compliance

The management of Cochise County Community College District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Cochise County Community College District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and the discretely presented component unit of Cochise County Community College District as of and for the year ended June 30, 2005, and have issued our report thereon dated October 26, 2005. Our report was modified as to consistency because of the implementation of Governmental Accounting Standards Board Statement No. 40. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Cochise County Community College District's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Arizona State Legislature, the Auditor General of the State of Arizona, the Governing Board, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

October 26, 2005

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2005**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>	<u>Amount Provided to Subrecipients</u>
<b><u>U.S. Department of Labor</u></b>				
Passed through the State of Arizona Governor's Office for Children, Youth and Families:				
WIA Youth Activities	17.259	WF-IGA-05-6181-00	\$ <u>15,131</u>	
<b><u>National Endowment for the Arts</u></b>				
Passed through the Western States Arts Federation:				
Promotion of the Arts-Partnership Agreements	45.025	TourWest	<u>1,200</u>	
<b><u>U.S. Small Business Administration</u></b>				
Passed through Maricopa County Community College District:				
Small Business Development Center	59.037	4-603001-Z-0003-12 5-603001-Z-0003-13	<u>81,677</u>	
<b><u>U.S. Department of Education</u></b>				
Direct Programs:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007		79,063	
Federal Family Education Loans	84.032		2,301,339	
Federal Work-Study Program	84.033		156,097	
Federal Pell Grant Program	84.063		<u>4,442,197</u>	
Total Student Financial Assistance Cluster			<u>6,978,696</u>	
Higher Education-Institutional Aid	84.031		905,426	5,291
TRIO-Student Support Services	84.042		216,682	
Child Care Access Means Parents in School	84.335		39,758	
Passed through the Arizona Department of Education:				
Adult Education-State Grant Program	84.002	05FAEABE-570536-02A 05FAECIV-570536-01A	540,502	
Vocational Education-Basic Grants to States	84.048	04FCTDBG-470536-05A 05FCTDBG-570536-06A	194,389	
Even Start-State Educational Agencies	84.213	05FECEVS-570536-04A	122,500	
Tech-Prep Education	84.243	04FCTDTP-470536-04A 05FCTDTP-570536-05A 04FCTDTP-470536-07A 05FCTDTP-570536-07A	184,659	74,463
Passed through the Arizona Commission for Postsecondary Education:				
Leveraging Educational Assistance Partnership	84.069	LEAP	<u>12,545</u>	
<b>Total U.S. Department of Education</b>			<u>9,195,157</u>	<u>79,754</u>
<b><u>U.S. Department of Health and Human Services</u></b>				
Direct Programs:				
Nursing Workforce Diversity	93.178		108,517	
Passed through Cochise County Health Department:				
Centers for Disease Control and Prevention-Investigations and Technical Assistance	93.283	STEPS	<u>22,621</u>	
<b>Total U.S. Department of Health and Human Services</b>			<u>131,138</u>	
<b>Total Expenditures of Federal Awards</b>			<u>\$ 9,424,303</u>	<u>\$ 79,754</u>

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2005**

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Cochise County Community College District and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2005 *Catalog of Federal Domestic Assistance*.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2005**

**SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:  
 Material weakness(es) identified?           yes   X  no  
 Reportable condition(s) identified that are not considered  
 to be a material weakness(es)?           yes   X  none reported

Noncompliance material to financial statements noted?           yes   X  no

**Federal Awards**

Internal control over major programs:  
 Material weakness(es) identified?           yes   X  no  
 Reportable condition(s) identified that are not considered  
 to be a material weakness(es)?           yes   X  none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in  
 accordance with section 510(a) of OMB Circular A-133?           yes   X  no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.032	Federal Family Education Loans
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program

Dollar threshold used to distinguish between Type A and Type B  
 programs: \$300,000

Auditee qualified as low-risk auditee?   X  yes           no

**Other Matters**

Auditors' Summary Schedule of Prior Audit Findings required to  
 be reported in accordance with Circular A-133 (Section .315[b])?           yes   X  no